



**For Immediate Release  
October 16, 2008**

**Contact: Eric DeGesero  
973-464-9504**



**Fuel Merchants  
Association  
of  
New  
Jersey**

## **Oilheat Dealers Support Governor's Proposal**

Trenton, NJ- Today the Fuel Merchants Association of New Jersey (FMA), a statewide trade association representing small businesses that distribute heating oil and gasoline, applauded Governor Corzine's announcement that his administration will increase access to the Low Income Heating Energy Assistance Program (LIHEAP) in light of a recent increase of federal funding and support a \$10 million supplemental appropriation to provide heating assistance to those families who are over the threshold for LIHEAP, but still struggling to meet their energy needs.

According to FMA Executive Vice President Eric DeGesero, "We commend the governor for his recognition of the potential crisis this winter that NJ families may face heating their homes. While the monies outlined in today's announcement will not alleviate all the needs there might be, it is a very positive step in the right direction.

Specifically the proposal will:

- Increase the threshold for those families eligible for LIHEAP funding from those earning 175% of the federal poverty level to those earning up to 200% of the federal poverty level. In New Jersey this equates to a family of four earning \$42,000.
- Increase the LIHEAP benefit for those heating with oil. The benefit will nearly triple to \$1,000 which will provide for approximately 285 gallons of oil at today's retail price of \$3.50 per gallon.
- Appropriate \$10 million to NJ Shares a statewide fuel assistance fund that helps families struggling to meet their energy needs and who are too "wealthy" to qualify for LIHEAP.

"It is not only homeowners that struggle with high oil prices, oil dealers do too. Oilheat dealers must pay their suppliers in 10 days while homeowners pay in 30 days. However, in light of the high prices Oilheat dealers' credit lines are stretched thin and homeowners are slower in paying their bills. Since credit markets have tightened dramatically in recent months Governor Corzine's initiative will help assist small business owners in meeting some of their cash flow needs since customers will be able to pay for at least one delivery in a more timely manner", stated DeGesero

"While Governor Corzine is to be commended for his initiative announced today, real reason for high and volatile energy prices has nothing to do with supply and demand and everything to do with speculation and possibly manipulation of commodities markets by the exact same entities that have brought us the current financial crisis. Congress has refused to take the necessary steps to require greater transparency and limitation of speculative positions (H.R. 6604/S.3268-110<sup>th</sup> Congress) in the energy commodities market. For as quickly as price has dropped recently they can just as quickly rise again. We are hopeful that when Congress reconvenes in January they will finally pass this legislation," concluded DeGesero.

###